

Ordinance No. 5-06 ORDINANCE:

To amend Chapter 24 entitled
“Water, sewers and sewage
disposal,” Article III, “Rates and
Charges” to establish water and
sewer rates for each fiscal year from
FY2007 through FY 2011; to amend
the charges and penalties imposed
for late payment of water bills; to
establish a monthly Ready to Serve
charge; and to generally amend the
provisions regarding City water and
sewer service

WHEREAS, the City provides water and sewer services to most Rockville residents; and

WHEREAS, sufficient revenues through user fees and charges should be generated to pay for the costs of operations, capital outlay, infrastructure improvements and debt service of the City’s water and sewer system; and

WHEREAS, over the last several years user fees and charges have not been sufficient to cover the costs of providing water and sewer service; and

WHEREAS, the Mayor and Council approved a rate study to be performed as part of the 2006 Fiscal year budget process; and

WHEREAS, in September 2005 a consultant was selected to perform the study and provide a report outlining the financial challenges of providing water and sewer services and to promote self-sustaining funds, promote conservation of scarce resources, and promote long term financial health, including lower rates to customers over time; and

WHEREAS, on March 8, 2006, the Consultant submitted a report which included rate alternatives and recommendations; and

WHEREAS, the Mayor and Council is desirous of implementing certain recommendations proposed by the Consultant.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF ROCKVILLE, MARYLAND, as follows:

SECTION 1. That Chapter 24, entitled “Water, Sewers and Sewage Disposal,” Article III, “Rates and Charges” be amended as follows:

ARTICLE III. RATES AND CHARGES

Sec. 24-46. Water consumption charge.

(a) In order to determine the consumption of water obtained from the mains of the City, the City Manager shall cause the meters installed as herein provided to be read quarterly and at such other times as the Council shall determine. Within the corporate limits of the City, a charge [of two dollars and twenty-six cents (\$2.26)] as set forth in the following chart for fiscal years 2007 through 2011, per one thousand (1,000) gallons of water supplied, as determined from the readings of the meter, shall be made against the owner or owners of each premises supplied with water, and the charges shall be due and collectible quarterly.

Level (usage amount)	FY 2007	FY 2008	FY 2009	FY2010	FY 2011
1: 0 - <12,000 gallons	<u>\$1.62</u>	<u>\$1.78</u>	<u>\$1.96</u>	<u>\$2.16</u>	<u>\$2.37</u>
2: 12,000 - <24,000 gallons	<u>\$2.33</u>	<u>\$2.56</u>	<u>\$2.82</u>	<u>\$3.10</u>	<u>\$3.41</u>
3: 24,000 and over gallons	<u>\$2.50</u>	<u>\$2.75</u>	<u>\$3.03</u>	<u>\$3.33</u>	<u>\$3.66</u>

(b) There shall be due from each user of the water system, a monthly Ready to Serve charge. The amount of the charge shall be based on water meter size and is hereby established for fiscal years 2007 through 2011 as set forth in the following chart:

Meter Size	FY 2007	FY 2008	FY 2009	FY2010	FY 2011
<u>5/8"</u>	<u>\$2.00</u>	<u>\$2.00</u>	<u>\$2.00</u>	<u>\$2.00</u>	<u>\$2.00</u>
<u>3/4"</u>	<u>\$3.00</u>	<u>\$3.00</u>	<u>\$3.00</u>	<u>\$3.00</u>	<u>\$3.00</u>
<u>1"</u>	<u>\$5.00</u>	<u>\$5.00</u>	<u>\$5.00</u>	<u>\$5.00</u>	<u>\$5.00</u>

<u>1 1/2"</u>	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>
<u>2"</u>	<u>\$16.00</u>	<u>\$16.00</u>	<u>\$16.00</u>	<u>\$16.00</u>	<u>\$16.00</u>
<u>3"</u>	<u>\$32.00</u>	<u>\$32.00</u>	<u>\$32.00</u>	<u>\$32.00</u>	<u>\$32.00</u>
<u>4"</u>	<u>\$50.00</u>	<u>\$50.00</u>	<u>\$50.00</u>	<u>\$50.00</u>	<u>\$50.00</u>
<u>6"</u>	<u>\$100.00</u>	<u>\$100.00</u>	<u>\$100.00</u>	<u>\$100.00</u>	<u>\$100.00</u>
<u>8"</u>	<u>\$160.00</u>	<u>\$160.00</u>	<u>\$160.00</u>	<u>\$160.00</u>	<u>\$160.00</u>
<u>10"</u>	<u>\$240.00</u>	<u>\$240.00</u>	<u>\$240.00</u>	<u>\$240.00</u>	<u>\$240.00</u>

[(b)] (c) Notwithstanding the foregoing, there shall be no charge for water provided to a line which serves only a fire suppression system and consumes water only for the fire suppression and/or for flushing or testing not more than one (1) time per year

Sec. 24-47. Sewer usage charge.

(a) There shall be due to the City from each user of its sewerage system and/or disposal plant for each property served by its system, the sum as set forth in the following chart for fiscal years 2007 through 2011, [of three dollars and sevety-five cents (\$3.75)] for each one thousand (1,000) gallons of water used by such property during the preceding three (3) months.

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY2010</u>	<u>FY 2011</u>
<u>Sewer Charge</u>	<u>\$3.63</u>	<u>\$3.82</u>	<u>\$4.01</u>	<u>\$4.21</u>	<u>\$4.42</u>

(b) No person using water obtained otherwise than from the water system of the City shall empty such water into the sewerage system of the City unless the water shall be measured through a meter installed by the City at the expense of such user, and quarterly thereafter shall be due to the City from each such user of its sewer system and/or disposal plant for each property so served by its system the sum [of three dollars and seventy-five (\$3.75)] as set forth in the following chart for fiscal years 2007 through 2011 for each

one thousand (1,000) gallons of water used on such property during the preceding three (3) months.

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY2010</u>	<u>FY 2011</u>
<u>Sewer Charge</u>	<u>\$3.63</u>	<u>\$3.82</u>	<u>\$4.01</u>	<u>\$4.21</u>	<u>\$4.42</u>

(c) Any person procuring water from the water system of the City, a substantial part of which water is not thereafter diverted into the sewerage system of the City, shall have the privilege of having a meter installed by the City at the expense of such water user, whereby that portion of the water purchased by him from the City and not thereafter diverted into its sewer system, may be measured, and in computing the amount due the City from such user, as a sewer usage charge, the amount of water so measured and not diverted into the sewerage system of the City shall be deducted from the total amount of water delivered to the user from the water system of the City.

Sec. 24-48. Capital contribution charges.

(a) In this section:

(1) *Apartment building* includes the garden-type apartment.

(2) *Connection* means any new connection to the sanitary sewer system and water system of the City or any connection to the water system which requires the installation of a larger sized water meter.

(3) *Townhouse* means an attached one-family dwelling unit having separate utility connections and separate front and back entrances and a private, enclosed patio.

(b) Any applicant for a new connection to the sanitary sewer system of the City, or the water system of the City shall be charged, in addition to the normal plumbing permit fee, additional charges to be known as water and sanitary sewer capital contribution charges. Such charges shall be in the amount established by resolution; provided, however, that credit shall be given for a previous capital contribution when the connection is for the installation of a larger sized water meter. The charges shall be paid prior to the issuance of the plumbing permit.

Sec. 24-49. Adjustments to bills and testing of meters.

(a) Where a meter fails to function correctly or bears evidence of having been tampered with, charges shall be made on the basis of an average consumption of water, unless the supply shall have been suspended. Where a consumer or user desires to have his meter tested the City Manager shall have the meter removed and appropriate tests made and should the meter prove to be functioning correctly, a charge of [five dollars (\$5.00)] fifty dollars (\$50.00) shall be paid by such consumer or user.

(b) When a consumer or user desires to have the water meter re-read to determine if the original reading was correct, there shall be a charge of twenty dollars (\$20.00) if the original reading of the meter is determined to be accurate. There shall be no charge if the original reading of the water meter is determined to have been incorrect.

[(b)] (c) The City Manager shall have the authority to adjust water and sewer utility bills under the following circumstances:

- (1) When an underground leak occurs between a water meter and a building and the customer could not have reasonably detected the leak, or

when a water line bursts inside a building. In such instances, the City Manager may not adjust any bill below the average amount of the combined water and sewer usage for the preceding four (4) billing periods. Fewer periods may be used in the discretion of the City Manager if the account in question has not been in existence for four (4) billing periods. Satisfactory evidence that an underground leak or burst water pipes have occurred and have been repaired shall be required. The customer shall cause such leaks to be repaired within ten (10) days of discovery[;]. The bill adjustment described in this subsection is limited to once every five (5) years.

(2) When an amount of water consumed for any one (1) billing period exceeds five (5) times the average amount of water consumed for the preceding four (4) billing periods, the City Manager may not adjust any bill by an amount which exceeds two-thirds of the amount billed for combined water and sewer usage, and shall have no authority to make such adjustment on more than one (1) occasion for each customer account.

Sec. 24-50. Billing and collection procedures.

(a) Following the reading of the meters as provided in section 24-46 the Clerk shall render a statement covering the charges provided for in sections 24-46 and 24-47. Upon failure to pay such charges within thirty (30) days from the rendition of a bill, a penalty of ten (10) percent of the amount of the statement shall be added thereto. Where such charges remain unpaid for a period of thirty (30) days from the date of the

imposition of the penalty, service shall be suspended to the premises involved. A twenty-five dollar (\$25.00) disconnect charge shall be assessed against the account. Water [and] shall not again be restored until all charges and penalties are paid, and an additional penalty of [twenty dollars (\$20.00)] twenty-five dollars (\$25.00) for restoring the flow of water to the premises involved shall be added to the charges and penalties. If reconnection of water service is performed after normal business hours at the request of the customer, an additional eighty dollars (\$80.00) shall be charged for after hours service.

(b) Payment of water bills may be made by check. In the event a customer submits two checks within a three year period that are returned by the customer's bank for insufficient funds, then payment must be made by cash or money order for the next four (4) billing cycles.

SECTION II. That this ordinance shall become effective on July 1, 2006.

Note: [Brackets] indicate material deleted.
Underlining indicates material added.

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I hereby certify that the foregoing is a true and correct copy
of an ordinance adopted by the Mayor and Council at its
meeting of June 5, 2006.

Claire F. Funkhouser, CMC, City Clerk